Government of Saskatchewan

Annual Report 2002-2003

Agricultural Implements Board

Saskatchewan

Our Future is Wide Open

103-06642/

Letter of Transmittal

To Her Honour
The Honourable Lynda Haverstock
Lieutenant Governor of the Province of Saskatchewan

Madam:

I have the honour to present the Annual Report of the
Agricultural Implements Board for the fiscal year ended March 31, 2003.

Respectfully submitted,

Clay Serby

Clay Serby
Deputy Premier
Minister of Agriculture, Food and Rural Revitalization

Agricultural Implements Board 2002/2003 Annual Report

The Agricultural Implements Act provides protection to farmers who buy or own agricultural implements. The Act requires that farm equipment dealers and manufacturers maintain minimum levels of warranty, repair and parts delivery services. Farmers may apply to the Agricultural Implements Board for compensation if they feel they have incurred a loss due to an unreasonable delay or availability of farm equipment parts.

The Board has been appointed for a two-year term effective May 13, 2003.

The Board currently consists of five members:

- Norm Overland, Chairman–Farmer member
- Allan Smith, Vice-Chair-Canada West Equipment Dealers Association (CWEDA)-Industry member
- Doug Slough, Farmer member
- Robin Fenell, Farmer member
- Loren Katzenberger, Prairie Implement Manufacturers Association (PIMA)–Industry member

2002/03
The Agricultural Implements Act was amended to reflect the current market in agricultural implements, to maintain and improve protection for farmers, to balance the rights and responsibilities between farmers, dealers and manufacturers and to harmonize key provisions of the legislation with Manitoba and Alberta.

Accomplishments:

- A new definition in the Regulations to define "model year" came into effect April, 2002.
- SAFRR, working with the Board, amended The Act based on input from CWEDA, PIMA and the Canadian Federation of Industrial Equipment Institute.
- Changes to the Agricultural Implements Regulations are currently under review.

Program Statistics:

	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03
# of dealers	529	520	525	N/A	470	473	429	433
# of distributors	109	111	112	N/A	114	122	119	133
# of manufacturers	N/A	N/A	N/A	N/A	223	242	228	217
# of hearings	2	3	2	N/A	0	1	1(pd. out)	1 (no payout)

N/A Not Available

Critical Dates for 2002-2003:

- Farm implement dealers and distributors are required to renew licenses and registration by March 31 of each year.

Management's Responsibility for the Financial Statements

The accompanying financial statements of the Agricultural Implements Board have been prepared by management in accordance with generally accepted accounting principles, using management's best estimates and judgements where appropriate.

The Fund's management is responsible for the reliability and integrity of these financial statements and other information in this Annual Report. Financial information in the Annual Report is consistent with that provided in these financial statements.

In discharging its responsibility for the reliability and integrity of these financial statements, management maintains financial and management control systems and practices designed to provide reasonable assurance that transactions are authorized, assets are safeguarded and proper records are maintained.

The Provincial Auditor Saskatchewan has audited these financial statements and conducted a review of internal accounting policies and procedures to the extent required to enable them to express an opinion on these financial statements.

Don Brooks
Agricultural Operations Review Board Secretary

Laurier Donais
Senior Manager, Financial Systems

April 2003

Provincial Auditor Saskatchewan

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SASKATCHEWAN

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AUDITOR'S REPORT

To the Members of the Legislative Assembly of Saskatchewan

I have audited the statement of financial position of the Agricultural Implements Board as at March 31, 2003 and the statements of operations and net financial assets, and cash flows for the year then ended. The Board's management is responsible for preparing these financial statements for Treasury Board's approval. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Board as at March 31, 2003 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Regina, Saskatchewan
April 16, 2003

Fred Wendel, CMA, CA
Provincial Auditor

AGRICULTURAL IMPLEMENTS BOARD

FINANCIAL STATEMENTS

For the Year Ended March 31, 2003

Statement 1

AGRICULTURAL IMPLEMENTS BOARD
STATEMENT OF FINANCIAL POSITION
As at March 31

	2003	2002
ASSETS		
Due from General Revenue Fund (Note 3)	$ 152,528	$ 150,874
Accrued interest receivable	1,021	738
	$ 153,549	$ 151,612
LIABILITIES AND NET FINANCIAL ASSETS		
Accounts payable	$ ---	$ 5,000
Deferred revenue	2,250	2,150
	2,250	7,150
Net financial assets (Statement 2)	151,299	144,462
	$ 153,549	$ 151,612

(See accompanying notes to the financial statements)

AGRICULTURAL IMPLEMENTS BOARD
STATEMENT OF OPERATIONS AND NET FINANCIAL ASSETS
For the Year Ended March 31

	2003	2002
Revenue:		
Assessment levies	$ 2,925	$ 2,675
Interest income	3,912	4,976
	6,837	7,651
Expenditure:		
Compensation payments	---	5,000
	---	5,000
Surplus for the year	6,837	2,651
Net financial assets, beginning of year	144,462	141,811
Net financial assets, end of year - to Statement 1	$ 151,299	$ 144,462

(See accompanying notes to the financial statements)

AGRICULTURAL IMPLEMENTS BOARD
STATEMENT OF CASH FLOWS
For the Year Ended March 31

	2003	2002
Cash flows from operating activities:		
Cash receipts from distributors	$ 3,025	$ 4,825
Cash paid to claimants and employees	(5,000)	(1,848)
Interest received	3,629	6,152
Net increase in cash position	1,654	9,129
Due from General Revenue Fund, beginning of year	150,874	141,745
Due from General Revenue Fund, end of year	$ 152,528	$ 150,874

(See accompanying notes to the financial statements)

AGRICULTURAL IMPLEMENTS BOARD
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2003

1. Significant Accounting Policies

These financial statements are prepared in accordance with Canadian generally accepted accounting principles. The following accounting policies are considered significant.

a) Accrued Interest Receivable, Accounts Payable

The carrying value of accrued interest receivable and accounts payable approximates fair value.

b) Due from General Revenue Fund

The amount due from the General Revenue Fund is interest bearing as described in Note 3. The carrying value approximates fair value.

c) Revenue

Assessment levies are assessed annually, any that are received in advance are recorded as deferred revenue.

2. Authority

The Agricultural Implements Board is continued under *The Agricultural Implements Act*. Under this Act, a fund known as the Agricultural Implements Compensation Fund, through which all transactions reflected in these statements are conducted, is continued:

a) to pay compensation to farmers;

b) to defray the expenses of investigating and hearing claims for compensation under this Act; and

c) to maintain a reserve fund to pay compensation that may become payable in the future.

3. Due from General Revenue Fund

The Agricultural Implements Board's bank account is included in the Consolidated Offset Bank Concentration (COBC) arrangement for the Government of Saskatchewan.

Earned interest is calculated and paid by the General Revenue Fund on a quarterly basis using the Government's thirty-day borrowing rate (2003 average rate 2.62%; 2002 average rate – 3.41%) and the Agricultural Implements Board's average daily bank account balance.

4. Related Parties Transactions

Included in these financial statements are transactions with various Saskatchewan Crown corporations, departments, agencies, boards and commissions related to the Board by virtue of common control by the Government of Saskatchewan.

Salary and administration costs other than those in respect of investigations and hearings have been absorbed by various departmental appropriations and are therefore not reflected in these financial statements.

Other transactions with related parties and amounts due to or from them are described separately in these financial statements and the notes hereto.